



CITY OF ROYAL OAK RETIREE HEALTH CARE INVESTMENT BOARD MINUTES OF THE REGULAR MEETING OF THE BOARD OF TRUSTEES

A meeting of the Retiree Health Care Investment Board of Trustees was conducted remotely via Zoom, on Friday June 5, 2020 at 8:30 a.m.

The meeting was called to order at 8:30 a.m.

Attendance

PRESENT: Lee Collick- Chairperson
Bret Nelson- Vice Chairperson
Kyle DuBuc- Trustee
Kim Gibbs - Trustee
Paul Brake – City Manager

ALSO PRESENT: Julie Rudd - Bd Chief Administrative Officer/ Bd Secretary/Bd Treasurer
Lisa Genord- Administrative Assistant / Pension Technician
Brian Green – AndCo Investment Advisor

Public Comment

Members of the public could have participated in the meeting electronically by providing public comment on any trust-related matter, whether on the agenda or not, by leaving a recorded comment at 248-246-3411 between the hours of 8:30 and 9:30 p.m. on Thursday, June 4, 2020. Recorded comments would have been played for the retirement board during the public comment portion of the agenda. There were no public comments.

Board approval of the agenda for June 5, 2020 meeting

Moved by Lee Collick to approve the June 5, 2020 meeting agenda

Supported by Paul Brake

MOTION ADOPTED UNANIMOUSLY 5/0

Board approval of the draft minutes for May 8, 2020 meeting

Moved by Lee Collick to approve the May 8, 2020 meeting minutes

Supported by Bret Nelson

MOTION ADOPTED UNANIMOUSLY 5/0

INVESTMENTS

Investment performance review as of May 31, 2020 presented by Brian Green of AndCo.

Market value/allocation of assets as of May 31, 2020 is \$127,182,930.

Current month – total portfolio outperformed the benchmark: 3.58% vs. 3.36% index.

3-month performance – total portfolio underperformed the benchmark: -0.03% vs. 1.19% index.

Year-to date performance – total portfolio underperformed the benchmark: -5.89% vs. -4.23% index.

1-year performance – total portfolio underperformed the benchmark: 4.71% vs. 7.45% index.

3-year performance – total portfolio underperformed the benchmark: 3.60% vs. 5.64% index.

Inception performance – total portfolio underperformed the benchmark: 3.66% vs. 5.62% index.

Brian reported that May was a month of recovery, stating that the S&P was down 5% at the end of May compared to the end of March, when the S&P was down 20%. Brian also reported that there is starting to be some growth in the retail and hospitality markets as the economy continues to slowly reopen.

Brian also reported the city's portfolio appreciated by \$4.3 million over the month of May, which resulted

in strong returns in both domestic and international equity investments, as well as a nice recovery from Baird in the domestic fixed income portfolio. Brian also stated that Loomis Sayles High Income is a new addition to the domestic fixed income portfolio and was added June 1, 2020. Brian also reported that he will have updated data on Prisa II (real estate) at the July meeting, and that the real estate market has changed during the pandemic as many companies allowed people to work remotely from home, and have since reduced their need for office space. Conversely, Brian stated that other companies, like call centers, have increased their staff and therefore need more office space to safely distance their employees within the office.

The complete AndCo Investment Performance Review report dated May 31, 2020 is on file in Finance Office.

Moved by Lee Collick to receive and file

Supported by Bret Nelson

MOTION ADOPTED UNANIMOUSLY 5/0

AndCo Weekly Market Update dated May 26, 2020

Moved by Lee Collick to receive and file

Supported by Bret Nelson

MOTION ADOPTED UNANIMOUSLY 5/0

PGIM Real Estate Prisa II Quarterly Report 1Q 2020

Moved by Lee Collick to receive and file

Supported by Bret Nelson

MOTION ADOPTED UNANIMOUSLY 5/0

LEGAL

VanOverbeke, Michaud, & Timmony, P.C. Memo re: Electronic Signatures – Executive Order 2020-74, dated May 7, 2020

Moved by Lee Collick to receive and file

Supported by Paul Brake

MOTION ADOPTED UNANIMOUSLY 5/0

OTHER

None

NEXT MEETING AND ADJOURNMENT

Next regular meeting is scheduled immediately following the retirement system board meeting at approximately 8:30 a.m. on Friday, July 10, 2020 at city hall room 309 but possibly remotely via Zoom.

Moved by Lee Collick to adjourn the meeting (8:40 a.m.) and confirm next meeting for July 10, 2020 immediately following retirement system board meeting at approximately 8:30 a.m.

Supported by Bret Nelson

MOTION ADOPTED UNANIMOUSLY 5/0